

City of Saint Paul Minority Business Development and Retention



2009 Business and Community Report



MBDR GOAL STATEMENT

The goal of Minority Business Development and Retention (MBDR) is to:

- **Increase Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs), Small Business Enterprises (SBEs) and people with disabilities participation in business and employment opportunities generated by the City of Saint Paul and the Housing and Redevelopment Authority.**

www.stpaul.gov/mbdr



MBDR PERFORMANCE

Program Outcomes

- ❑ 1260 Businesses and Individuals received Capacity Building, Start-Up and Technical Assistance.
- ❑ 205 Businesses participated in Ethnic Marketing Seminars.
- ❑ 40 Minority and Women Owned Businesses participated in the Construction Partnering Program (CPP).
- ❑ MBDR Funding helped NDC to close \$63,000 in loans in 2009.
- ❑ Minority and Woman Owned partners in the Construction Partnering Program (CPP) report that they generally perform between 15% and 25% of their annual work (in terms of gross revenue) with their partner. Their experience in the CPP enables them to undertake larger projects on their own, and often enables them to structure partnerships with other large firms.

MBDR PERFORMANCE

Socially Responsible Investment Fund:

The City of Saint Paul's Socially Responsible Investment Fund (SRIF) goal is to promote lending opportunities offered by local banks to its commercial corridors, female, minority and small businesses, housing initiatives, community development corporations (CDC) and low-income communities in Invest Saint Paul (ISP) areas.

The (SRIF) is a part of the City of Saint Paul's (MBDR) program. The City Treasurer purchases certificates of deposits at a maximum amount of 10 Million dollars. 2009 investment banks include: Park Midway Bank, University Bank, Western Bank and U. S. Bank. Park Midway Bank originated 36 loans in Invest Saint Paul (ISP) areas for a total loan amount of \$4,541,000.

Collectively, the banks paid the City of Saint Paul a return in interest of \$236,940.79 and originated 679 business and home loans in Invest Saint Paul (ISP) targeted areas in the amount of \$76,582,184.00.



Treasury Secretary Timothy Geithner visited the Twin Cities and Saint Paul's SRIF Banks.

One of the departments within Treasury is the Community Development Financial Institutions (CDFI) Fund. The CDFI Fund suggested that the Secretary visit an example of "on the ground" work of a CDFI bank like Sunrise Bank.

2009 MBDR COMMUNITY PARTNERS

CAPACITY BUILDING

Provide opportunities, financial access, marketing opportunities and access to networks to build or aspiring entrepreneurs

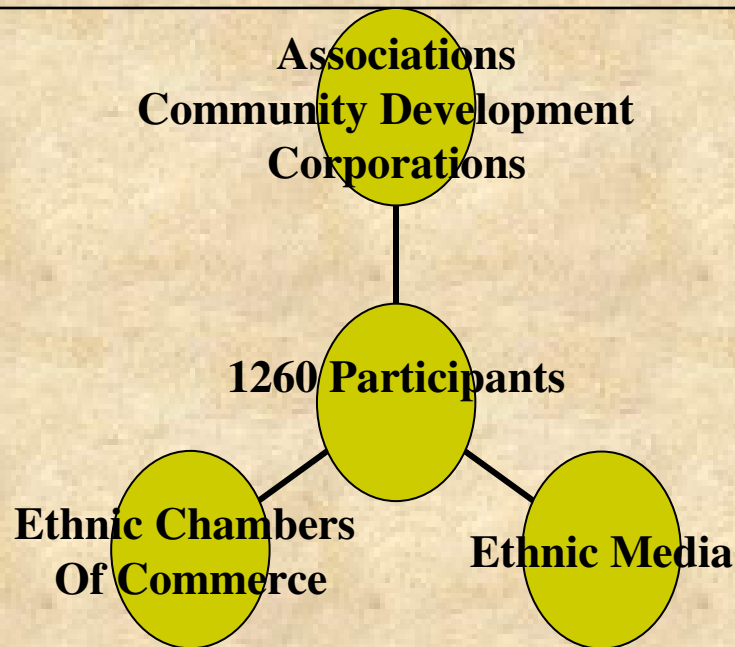
TECHNICAL ASSISTANCE

Provide industry knowledge, education, one-on-one training and increase the skills of individuals and Business Start - Ups.

- ❑ AGUILAR PRODUCTIONS (aguilarproductions.com)
- ❑ *AHANA - McFarlane MEDIA INTEREST AND MINNESOTA MULTICULTURAL MEDIA CONSORTIUM (multiculturalmedia.org)
- ❑ ASSOCIATION OF WOMEN CONTRACTORS (AWC) (awcmn.org)
- ❑ CULTURE BROKERS/AF AMERICAN HERITAGE CORRIDOR (culturebrokers.com)
- ❑ DAYTON'S BLUFF DISTRICT FORUM (daytonsbluff.org)
- ❑ HISPANIC CHAMBER OF COMMERCE (hispanicmn.org)
- ❑ METROPOLITAN ECONOMIC DEVELOPMENT CORPORATION (meda.net)
- ❑ MN BLACK CHAMBER OF COMMERCE (minnesotabcc.org)
- ❑ NATIONAL ASSOCIATION OF MINORITY CONTRACTORS (namcnational.org)
- ❑ NEIGHBORHOOD DEVELOPMENT CENTER (NDC) (ndc-mn.org)
- ❑ RIVERVIEW ECONOMIC DEVELOPMENT ASSOCIATION (REDA) (districtdelsol.com)
- ❑ SELBY AREA COMMUNITY DEVELOPMENT CORPORATION (selbyareacdc.org)
- ❑ WOMEN VENTURE (womenventure.org)

*African, Hispanic, Asian and Native American (AHANA)

2009 Community Partner Highlights



In the Frogtown Summit-University Service Area, MBDR funding impacts over:

- 150 ethnic businesses
- 9,000 workers in the service area
- 9,000 visitors to Saint Paul
- 1,000 residents

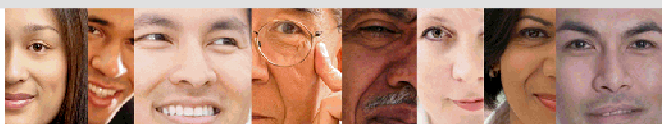
"People do business with people"



Capacity Building is far reaching...Construction Partnering goes International

Bill Scherling of McGough presented an infrastructure engineering project he worked on in Afghanistan as a part of his Military Reserve tour of duty. In the Province of Bamyan, Afghanistan where roads are in desperate need of repair, the New Zealand army is the task force for Bamyan. Bill was the consultant. Using automated GPS, he traveled the country side and put together a design build request for proposal (RFP) package for roads. The CPP model translated: Construction used 50% local labor and partner with entrepreneurs to mentor the smaller locals to build the roads, 20 projects will be built in the next 10 years.

2009 Community Partner Highlights



African American Heritage Corridor and the formation of the World Cultural Heritage District along the Central Corridor

"Saint Paul's minority communities are entrepreneurial communities - and the future of the small business sector. MBDR's support of innovative projects like the African American Heritage Corridor and other ethnic commercial districts builds the capacity of Saint Paul to take advantage of demographic changes to lead our region into economic growth."

Lisa Tabor, director, CultureBrokers Foundation, Inc.



Aguilar
PRODUCTIONS

U. S. Multicultural Markets
U.S. Emerging Asian-Indian Market
Hispanic/LaFamilia
Emerging African and African American Markets

"The Hispanic Marketing Midwest Conference and Awards are not just a tremendous asset to the Minneapolis/Saint Paul area, or to the Mid-west, but to the entire Hispanic marketing community. This is a highly professional and organized event with a rich agenda designed to benefit the area's marketers and business community at large. Congratulations to Rick Aguilar and Aguilar Productions on a job well done and here's to many more years of success"

*Alex Lopez Negrete
President/CEO, Lopez Negret Communications
Past Chair, Association of Hispanic Advertising Agencies*

2009 Community Partner Highlights



The **University of Minnesota's**

Office for Business and Community Economic Development prepares Organizational Assessments which include strategic planning, Resource Development, Board Governance, Outcome Measurements, Marketing, Financial and Volunteer Management.

Minnesota Ethnic Chambers of Commerce and the National Association of Minority Contractors (NAMC) are recipients of the MBDR Capacity Building and Technical Assistance Resource.

Business Retention and Expansion (BR &E)

Val Vargas - Hispanic Chamber of Commerce

Late 2007, Val Vargas, Executive Director of the Hispanic Chamber of Commerce of Minnesota and Claudia Cody, Regional Extension Educator, University of Minnesota Extension, jointly developed the following project structure: a Business Retention and Expansion Program that would be representative of the ethnic business community in the four metropolitan Minnesotan counties of Anoka, Hennepin, Ramsey, and Dakota.

The Ethnic Chambers BR&E incorporates the parameter of a community of multi-ethnic identity. The community of multi-ethnic identity for this project is the Ethnic Chambers.

The participating Ethnic Chamber BRE Leadership Team are: the Minnesota Hispanic Chamber of Commerce, the Minnesota American Indian Chamber of Commerce, the Minnesota Black Chamber of Commerce, the Minnesota Hmong Chamber of Commerce, The Pan African Chamber of Commerce, and the Vietnamese American Business Association.

We thank MBDR and the City of Saint Paul for agreeing to be a sponsor in this two year commitment, strengthening the Ethnic Chamber businesses and working on the Task Force.

2009 Community Partner Highlights



*"The Selby Area CDC efforts in business services (Entrepreneur Technical Assistance and Pro-Bid) are a direct result of the City of St. Paul's forward thinking MBDR program under the HREEO. The City through Angela Burkhalter and Readus Fletcher at MBDR recognized the innovative nature of our Pro-Bid program and were the *first to endorse and financially support* it.*

They keenly recognized the need for new and small businesses to know what how when and where the money they need to thrive and survive comes from." They understand community needs.

*Art Weddington
Selby Area CDC - Executive Director*



BUILDING NEIGHBORHOOD ECONOMIES FROM WITHIN

NDC provides business training, financing and ongoing support. Program participants provide business ideas, energy and talent.

Their training program is offered in five languages – English, Hmong, Oromo, Somali and Spanish.

In 2009, NDC provided 16 hours of capacity building and training to 80 individuals and 1,110 hours of “one-on-one” technical assistance to more than 70 small businesses in Saint Paul. The “one-on-one” meetings include but are not limited to accounting, marketing, creating a website, creating a company logo, management advice, pro-bono legal advice and cash flow management.

NDC approved and closed eight Saint Paul business loans and seven businesses are expected to open in the “Frogtown Square” location. (New development at the Northeast corner of University and Dale.)

CONSTRUCTION PARTNERING PROGRAM

The Construction Partnering Program (CPP) is an innovative initiative designed to create increased opportunities for women and entrepreneurs of color. Through partnerships, developing businesses are connected with the expertise, leadership and networks of established general contractors. MBDR contracts with the Metropolitan Economic Development Association and the Association of Women Contractors to help establish Minority Business Enterprise and Women Business Enterprise Partnering relationships. Below is a list of 2009 CPP partnering projects and relationships by ethnicity and gender.

Ethnicity	Gender
African-African American	5 Male
African-African American	5 Female
Asian American	3 Male
Asian American	5 Female
European American	11 Male/Female
Hispanic American	4 Male
Hispanic American	2 Female
Native America	4 Male
Native America	1 Female

United Family Clinic: TCI/DelPrado, Bald Eagle/Sowles Construction
Winnipeg Project- *Two Building apartment project Revitalizing Rice Street in St. Paul.*

Developer/Owner: Legacy Development and SPARC: GC: Shaw Lundquist

Bethel College: TCI/DelPrado

Coloplast : TCI/DelPrado, Hunt Electric/MC Electric, Twin City Hardware Grand Building Supply,

Regions Hospital: TCI/DelPrado, KA/Reiling Construction, Grand Building Supply/Twin City Hardware, Hunt Electric/MC Electric

Shalom Home: Mtec/Parsons, Alexander's Mobility Service/Golden Valley Transfer

TCF Stadium (Gophers): Mortenson/Thor, Grand Twin City Hardware/Building Supply, Mtec/Parsons

Target Ballpark (Twins): Mtec/Parsons; Gephart Electric/Gunnar Electric, Mortenson/Thor.

CPP Awards was hosted by Yvonne Chueng Ho, Metropolitan Economic Development Association and Barbara Christensen - Association of Women Contractors

CPP 2009 AWARDS

The **Annual Construction Partnering Program Award Reception** was held at Regions Hospital, winner of the award for 2009 large project of the year. Over 80 people attended, including present participants in the CPP and executives of many other major construction firms.

Luz Maria Frias, Director of Human Rights and Equal Economic Opportunity of the City of Saint Paul delivered the keynote remarks.

*Yvonne Cheung Ho, Chair
MEDA*



2009 AWARD RECIPIENTS

General Contractor of the Year: Shaw-Lundquist Associates Inc.

Best Large Project: Target Field - Minnesota Twins Stadium

Best Small Project: United Family Medicine

Shining Star of Excellence: University of Minnesota

Partnership of the Year:

Sowles Construction and Bald Eagle Erectors

CPP AWARD CRITERIA:

Small Project of the Year: Project represents the best use of CPP Partners. Under \$10 million in construction costs. Project must have been recognized during the CPP meetings during the current year.

Large Project of the Year: Project represents the best use of CPP Partners. \$10 million or more in construction costs. Project must have been recognized during the CPP meetings during the current year.

CPP Partnership of the Year: Awarded to a partnership that actively promotes the mission of CPP through their partnership and their commitment to the CPP Program. Must be an active current partner. Attendance at meetings during the current year.

General Contractor of the Year: Awarded to a General Contractor that has shown a commitment to the CPP program. Must have used partnerships on projects. Has attended CPP Meetings during the current year. Shows an ongoing commitment to minority and women owned contractors.

2010 United States Census

What is the 2010 Census?

- The Census is a count of all residents living in the United States.
- The Census is mandated by the U.S. Constitution.
- The 2010 Census will take place on April 1, 2010.

MBDR staff and community partners recognize the importance Of participating in the 2010 Census and making sure there is a complete and accurate count.

A complete and accurate count

- Determines how federal dollars are distributed back to communities
- Impacts the development of new businesses, highways, and schools
- Affects hospital services, health programs, and public transportation
- Determines the number congressional seats per state
- Determines how many representatives we have in Congress

For more information: www.stpaul.gov/census

Groups that are traditionally undercounted:

College Students, Foreclosed, Homeless, Immigrant, Low Income Households, Snowbirds, Some Communities of Color

Saint Paul Mayor Chris Coleman established the Mayor's 2010 Census Task Force made up of a diverse community organizations, to ensure that every single resident in Saint Paul is represented and counted accurately



Outcome of 2010 Census to date is.....

National response rate is 72% matching the 2000 rate.

Minnesota has a response rate of 80% and is # 2 in the nation just behind Wisconsin.

Ramsey County has a 80% return rate the same as the 2000 rate.

Saint Paul has a 77% return rate a 3% increase over the 2000 numbers.

BUSINESS AND COMMUNITY DEVELOPMENT FORUMS



Mayor Chris Coleman and the Minnesota Multicultural Media Consortium

Background:

Small and medium size businesses requested business community forums that include elected officials, city staff, partners and Socially Responsible Investment Banks to focus on resources and support during tough economic times.

Participants:

Saint Paul Office of Mayor Chris Coleman
Saint Paul City Council
Saint Paul Business Association Members
Community Development Corporations
AHANA Initiative - Project of Minnesota Multicultural Media Consortium (MMMC)
City of Saint Paul Departments of Human Rights and Equal Economic Opportunity
Planning and Economic Development, and the Department of Safety and Inspections (DSI)
Park Midway Bank
University Bank
Local Initiatives Support Corporation (LISC)

FORUM #1

West Side Business and Community Development Forum
Location: Minnesota Centennial Showboat
Community Partner: Riverview Economic Development Association (REDA)

FORUM # 2

Frogtown/Summit-University Business and Community Development Forum
Location: Wilder Foundation
Community Partners: Selby Area CDC and Neighborhood Development Center (NDC)

Recorded Live and available on the www.stpaul.gov/mbdr and www.stpaul.gov/hreeo websites.



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